

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of	§	
	§	
Rules and Regulations Implementing	§	CG Docket No. 02-386
Minimum Customer Account Record	§	
Exchange Obligations on All Local and	§	
Interexchange Carriers	§	

COMMENTS OF TEXAS STATEWIDE TELEPHONE COOPERATIVE, INC.

Please accept these comments of Texas Statewide Telephone Cooperative, Inc. (TSTCI) in response to the *Notice of Proposed Rulemaking (NPRM)* issued by the Federal Communications Commission (Commission) in the above-captioned proceeding. TSTCI is an association representing 19 telephone cooperatives and 16 commercial companies, all small, rural incumbent local exchange carriers (ILECs). Please see Attachment I for a list of member companies.

TSTCI wishes to address the issue of minimum customer account record exchange (CARE) standards being imposed on all local exchange carriers (LECs), including ILECs and more specifically, the small rural ILECs. TSTCI has strong reservations about mandating minimum CARE standards for small rural ILECs for several reasons. In general, TSTCI believes that if minimum standards are imposed on the small, rural ILECs, it is very likely that the costs of implementing minimum CARE standards would outweigh the potential benefits, given the relative size of the small rural ILECs and the problems the Commission is attempting to address.

Discussion

The Commission's NPRM discussed that, "the growth of customer migration in the competitive local exchange market has affected the ability of long distance carriers to bill for long distance services rendered to those customers." TSTCI points out that the billing problems that gave rise to the two petitions and the resulting NPRM are **not** due to problems with the carrier notification and record exchange procedures used by the small rural ILECs. Since the rural ILECs are not the source of the billing problems discussed in the NPRM, TSTCI questions the need to impose minimum CARE standards on the small rural ILECs.

Further, the Texas legislature and the Texas Public Utility Commission (PUC) studied the carrier record exchange process in Texas extensively in 2002. As a result of legislative concerns about the increased number of slamming complaints in the State, the Texas PUC developed a substantive rule on carrier responsibility in the record exchange process.¹ The Texas rule amendment clarifies carrier billing responsibilities in case of a PIC change and also specifies the responsibilities of new and old local service providers (LSPs) when a customer changes LSP or PIC. It is noteworthy that after receiving extensive comments from all segments of the industry, the Texas PUC decided **not** to interfere with the form or format of existing carrier record exchange processes or to require adoption of specific notification processes such as CARE. The PUC's order states that, "...subsection (m) in no way requires an LSP to use a specific notification method, such as CARE, or prohibits a carrier from arranging with another carrier to provide notices on its behalf."² TSTCI urges the FCC to consider how the Texas PUC addressed these same issues and that the Texas PUC did not impose additional burdensome requirements on Texas carriers or mandate CARE standards.

TSTCI is particularly concerned about the potential costs of the performance measurements that are discussed in the NPRM. These type of performance measurements could entail a significant burden to rural ILECs. While many rural ILECs are presently using certain CARE codes in the carrier notification process, the rural ILECs lack the resources to be active participants in the ATIS/OBF forums. (Many small ILECs may participate indirectly through their consultants or billing vendors in ATIS/OBF committees.) As a result, it could be a potentially significant regulatory burden on the small, rural ILECs if performance measurements required compliance with ATIS/OBF standards and processes. Based on the experience of TSTCI member companies, most small rural ILECs do not use mechanized CARE procedures, and are unfamiliar with them. It would be quite burdensome for small rural ILECs to keep track of these procedures and guidelines to ensure their compliance.

As a result, TSTCI has strong reservations about requiring the imposition of minimum CARE standards on the small rural ILECs. At a minimum, TSTCI urges the FCC to provide small rural ILECs with flexibility if minimum CARE standards are required. As discussed

¹ *PUC Rulemaking Proceeding to Address Notification Issues Arising from Changes in Preferred Telecommunications Utilities*, Project No. 26131, Order Adopting An Amendment to §26.130, Relating to Selection of Telecommunications Utilities, October 1, 2002. TSTCI believes that the Comments filed by the Texas PUC in this proceeding will include a complete copy of the order in this rulemaking.

² Id., p. 16

previously, it is not cost effective for most rural ILECs to use the mechanized CARE process. While they don't typically use automated processes, the rural ILECs have a good track record of working with the IXC industry to provide the notifications they require, and the rural ILECs are not the source of the billing problems experienced by some in the industry.

Conclusion

TSTCI believes that the small rural ILECs should be specifically exempted from any minimum CARE process rules that the FCC may adopt. In 2002 the Texas PUC adopted rules to govern the PIC change and LSP change process but decided not to adopt requirements on the format of the record exchange process itself. The small ILECs are not the source of the IXC billing problems that the Commission is trying to address and while mainly not using automated CARE processes, the rural ILECs have a good track record with regards to exchanging information with the IXCs. TSTCI is very concerned about the potential costs to the small ILECs of imposing minimum CARE standards, especially when considering the cost of complying with the potential performance measurements.

TSTCI appreciates the opportunity to provide comments to the Commission and hopes these comments are helpful.

Respectfully submitted,

Texas Statewide Telephone Cooperative, Inc.

A handwritten signature in cursive script that reads "Cammie Hughes". The signature is written in black ink and is positioned above the printed name and title.

Cammie Hughes
Authorized Representative

TEXAS STATEWIDE TELEPHONE COOPERATIVE, INC.

Brazos Telecommunications, Inc.
Brazos Telephone Coop., Inc.
Cameron Telephone Company
Cap Rock Telephone Coop., Inc.
Central Texas Telephone Coop., Inc.
Coleman County Telephone Coop., Inc.
Colorado Valley Telephone Coop., Inc.
Comanche County Telephone Company, Inc.
Community Telephone Company, Inc.
Cumby Telephone Coop., Inc.
Dell Telephone Coop., Inc.
E.N.M.R. Plateau Communications, Inc.
Eastex Telephone Coop., Inc.
Electra Telephone Company
Etex Telephone Coop., Inc.
Five Area Telephone Coop., Inc.
Ganado Telephone Company, Inc.
La Ward Telephone Exchange, Inc.
Lake Livingston Telephone Company
Lipan Telephone Company
Livingston Telephone Company
Mid-Plains Rural Telephone Coop., Inc.
Nortex Communications, Inc.
North Texas Telephone Company
Panhandle Telephone Coop., Inc.
Peoples Telephone Coop., Inc.
Riviera Telephone Company, Inc.
Santa Rosa Telephone Coop., Inc.
South Plains Telephone Coop., Inc.
Tatum Telephone Company
Taylor Telephone Coop., Inc.
Wes-Tex Telephone Coop., Inc.
West Plains Telecommunications, Inc.
West Texas Rural Telephone Coop., Inc.
XIT Rural Telephone Coop., Inc.